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The Directors
UK Steel Enterprise Limited
The Innovation Centre
217 Portobello
SHEFFIELD
S1 4DP

4 February 2003

Our ref: PH/LLP6/U2

Dear Sirs

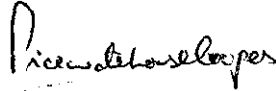
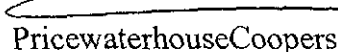
Notice of resignation as auditors
UK Steel Enterprise Limited (registered number 535960)
UKSE Fund Managers Limited (registered number 4195393)

Following the conversion of PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, we have agreed with you that the new firm, PricewaterhouseCoopers LLP will be replacing us as auditors.

In accordance with Section 392 of the Companies Act 1985, we give notice that we are resigning as auditors of the companies listed above with effect from 5 February 2003.

In accordance with Section 394 of the Companies Act 1985, we confirm that there are no circumstances connected with our resignation which we consider should be brought to the notice of the shareholders or creditors of the companies listed above.

Yours faithfully



PricewaterhouseCoopers

